LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on **TUESDAY, OCTOBER 15, 2002,** upon the application of **DENBURY RESOURCES, INC.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the 10,200' Sand, Reservoir B, the 10,300' Sand, Reservoir B and the 10,400' Sand, Reservoir D, in the Bay Baptiste Field, Terrebonne Parish, Louisiana.

- To establish rules and regulations and create a single drilling and production unit for the exploration for and production of gas and condensate for each of the above referenced reservoirs, such units to be designated 10200 RB SUA, 10300 RB SUA and 10400 RD SUA, respectively.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate unit wells for the proposed units.
- 4. To designate Denbury Resources, Inc. as the unit operator for the proposed units.
- 5. To provide that the Commissioner of Conservation should be authorized to reclassify these reservoirs by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 6. To consider such other matters as may be pertinent.

The 10,200' Sand, Reservoir B, in the Bay Baptiste Field, Terrebonne Parish, Louisiana, is hereby defined as that gas and condensate bearing interval encountered between the depths of 10,418' and 10,458' (ELM) in the Zeit Exploration Company, Inc. - Fina Oil and Chemical Company No. 1 Well, located in Section 5, Township 20 South, Range 19 East.

The 10,300' Sand, in the Bay Baptiste Field, Terrebonne Parish, Louisiana, was previously defined in Office of Conservation Order No. 939-J, dated effective July 9, 1996.

The 10,400' Sand, Reservoir D, in the Bay Baptiste Field, Terrebonne Parish, Louisiana, is hereby defined as that gas and condensate bearing interval encountered between the depths of 10,838' and 10,925' (ELM) in the Zeit Exploration Company, Inc. - State Lease No. 14-211 No. 1 Well, located in Section 6, Township 20 South, Range 19 East..

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana or may be found at the following site:

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

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BAY BAPTISTE FIELD 02-588 thru 02-590

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 9/3/02;9/6/02 L dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION ATP. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.